KINGWELL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1195

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2026



ABOUT THIS REPORT

Report Overview

Kingwell Group Limited ("**Kingwell**" or the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in property development, property leasing and property management services (the "**principal activities**") in the People's Republic of China (the "**PRC**"). The Group is pleased to present the environmental, social and governance ("**ESG**") report (the "**ESG Report**") for the year ended 30 June 2026 (the "**Reporting Period**" or "**2026**"). This ESG Report summarises the ESG initiatives, plans, and performances of the Group and demonstrates its ongoing commitment to sustainable development.

Reporting Scope

The senior management of the Group identifies the reporting scope by applying the materiality principle, with consideration of its core business and main revenue sources. This ESG Report covers the environmental and social performance of the Group's Hong Kong office and the following business operations in the PRC:

i) Xuzhou Taihua Property Service Co., Ltd.# (the "**Xuzhou Taihua**")(「徐州泰華物業管理有限公司」),

ii) Jiangsu Tianan Hongji Property Management Co., Ltd.# (the "**Jiangsu Tianan Hongji**")(「江蘇天安鴻基物業管理有限公司」),

iii) Foshan Tianan Hongji Property Management Co., Ltd.#'s Xuzhou Branch (the "**Foshan Tianan Hongji**")(「佛山天安鴻基物業服務有限公司徐州分公司」),

iv) Shenzhen Hailian Property Management Co., Ltd.# (the "**Shenzhen Hailian**")(「深圳市海聯物業管理有限公司」),

v) Huizhou Huiyang Peninsula New Town Property Management Co., Ltd.# (the "**Huiyang Peninsula New Town**")(「惠州市惠陽半島新城市物業管理有限公司」)

vi) Huizhou Huiyang Peninsula One Property Management Co., Ltd.# (the "**Huiyang Peninsula One**")(「惠州市惠陽半島壹號物業管理有限公司」), and

vii) Huizhou Huiyang Peninsula One Property Management Co., Ltd.'s Jiangbei Branch (the Jiangbei subsidiary) # (the "**Huiyang Peninsula One Jiangbei**")(「惠州市惠陽半島壹號物業管理有限公司江北分公司」)in the PRC.

The Group will continue to assess the major ESG aspects of different businesses of its major subsidiaries to determine the reporting scope of the ESG Report.

English names are for identification only.

ABOUT THIS REPORT (Continued)

Reporting Framework

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the "**ESG Reporting Code**") as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). During the preparation of this Report, the Group applied the reporting principles stipulated in the ESG Reporting Code as follows:

Materiality: A high priority is given to issues important to the Group and its stakeholders. Throughout the interaction process with internal management, employees and external stakeholders, the Group has identified various material sustainability issues that need to be addressed. The preparation of this Report was based on these material issues. Please refer to the Stakeholder Engagement and Materiality Assessment sections for further details.

Quantitative: Quantitative information is provided so that a measurable target can be set and the ESG performance can be evaluated objectively. Additional clarifications have been added to the quantitative data in this Report to explain any standards, methodologies and conversion factors used in calculating emissions and energy consumption.

Balance: In this Report, the Group provides an unbiased picture of its ESG performance by reviewing and disclosing its achievements, areas for improvement, and plans.

Consistency: This Report's scope and preparation are substantially consistent with the previous year, and explanations regarding data with a change in the scope of disclosure and calculation methodologies are provided.

Forward-looking Statements

This Report contains forward-looking statements based on the current expectations, estimates, projections, beliefs, and assumptions of the Group about the businesses and the markets in which it and its subsidiaries operate. The forward-looking statement is not a guarantee of future performance and is subject to market risk, uncertainties, and factors beyond the control of the Group. Therefore, actual outcomes and returns may differ from the assumptions and statements in this Report.

Feedback

We welcome stakeholders to provide opinions and suggestions. You are welcome to provide valuable feedback on this ESG Report or our sustainability performance at 1195@kingwellgroup.com.hk.

BOARD STATEMENT

Dear Shareholders,

On behalf of the Board, I am pleased to present the ESG Report of Kingwell Group Limited for the year ended 30 June 2026. This report reflects our ongoing dedication to advancing sustainability performance across our principal operational activities, with a primary focus on our property management operations in the PRC during the Reporting Period.

As a responsible corporate citizen, the Group remains fully committed to embedding environmental, social, and governance (ESG) considerations into our daily operations and core business strategies. During the past year, the Board continued to play a pivotal role in steering the Group's sustainability governance. In line with evolving regulatory standards and stakeholder expectations, our focus this year centered on deepening climate resilience, refining energy management across managed properties, expanding our GHG accounting scope to capture Scope 3 value chain emissions, and enhancing employee and supply chain practices.

We recognise that sound governance remains the cornerstone of sustainable execution. The Board holds ultimate accountability for overseeing the Group's ESG direction, climate risk management, and regulatory compliance. Supported by the ESG Taskforce, we consistently evaluate material sustainability risks within our Enterprise Risk Management (ERM) framework and review performance outcomes against our established climate-related and environmental intensity targets.

Looking ahead, the Group will continue to drive sustainable growth by optimizing operational resource efficiency, enhancing service quality, and creating long-term value for our shareholders and wider stakeholders. I wish to extend my appreciation to the Board, management, and staff for their hard work throughout the year, as well as to our shareholders, clients, and partners for their enduring trust.

Mao Yangguang
Chairman

Hong Kong, 30 October 2026

THE ESG GOVERNANCE STRUCTURE

The Group considers ESG commitment as a part of its fiduciary duty and pledges to embed ESG considerations into its decision-making process. To achieve this, the Group has developed a core governance framework to ensure the alignment of ESG governance with its strategic growth, while advocating ESG integration into its business operations. The Group's corporate social responsibility is divided into two components, namely the board of directors (the "**Board**") and an ESG taskforce (the "**ESG Taskforce**").

Board of Directors-Decision making	• Overseeing all ESG issues • Evaluating the ESG-related risks and opportunities • Setting the ESG management approach, strategies, priorities, and objectives • Reviewing the ESG performance periodically against ESG-related goals and targets • Approving disclosures in the ESG Report
ESG Taskforce-Management and Implementation	• Implementing ESG-related initiatives, strategies, plans and policies • Monitoring the development of sustainability strategies and goals • Working with business units and departments on a regular basis to collect ESG data and information • Compiling the Annual ESG report

The Board Statement

The Board holds the overall responsibility for the Group's ESG issues and oversees the ESG strategies, direction and policies. To better manage the Group's ESG performance, related issues and potential risks, the Board discusses and reviews the Group's ESG risks and opportunities, performance, progress and targets regularly with the assistance of the ESG Taskforce. The Board is also responsible for ensuring the effectiveness of ESG risk management and internal control mechanism and facilitates the exchange of best practices with other comparable companies.

The ESG Taskforce is composed of core members from different departments of the Group. The ESG Taskforce facilitates the Board's oversight of ESG matters and has the responsibility for collecting and analysing ESG data, monitoring and evaluating the Group's ESG performance, ensuring compliance with ESG-related laws and regulations, and preparing ESG reports. The ESG Taskforce arranges meeting annually to evaluate the effectiveness of current policies and procedures and formulates appropriate solutions to improve the overall ESG performance. At meetings, the ESG Taskforce discussed the existing and upcoming plans to achieve the Group's strategic goal of sustainable development, mitigate potential risks, and minimise any negative impact on its business operations. The ESG Taskforce periodically reports to the Board, assists in assessing and identifying the Group's ESG risks and opportunities and evaluating the effectiveness of internal control mechanism.

The Group adheres closely to the principle of sustainable development and seeks to achieve required standards in various ESG areas so as to create positive values for its stakeholders. With an aim to align with the goal of carbon neutralisation set by the local governments in its operating locations, the Group has set targets to enhance its performance on greenhouse gas ("**GHG**") emissions, waste management, energy consumption, and water consumption. The Group believes setting ESG-related targets can enhance its commitment to corporate social responsibility and allow its stakeholders to have a clearer understanding of the ESG performance of the Group.

STAKEHOLDER ENGAGEMENT

The Group values the feedback of stakeholders on the Group's sustainable development. To enhance communication with stakeholders, we encourage their active feedback on the Group's strategy via different channels. We are committed to understanding and meeting stakeholders' ever-changing expectations to improve ESG performance and continue to create greater value for the wider community.

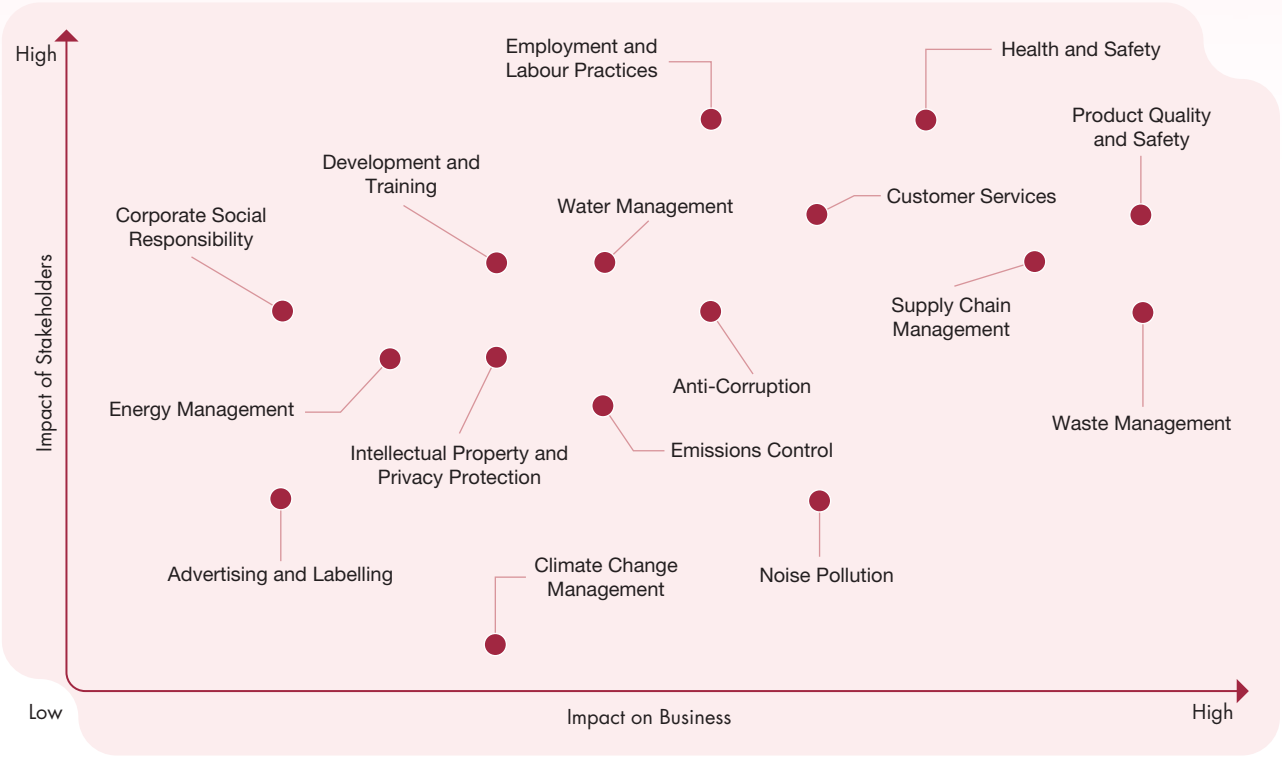
Stakeholders	Engagement Channels	Material Topics	Relevant Sections
Shareholders and investors	• Annual general meetings and other general meetings • Annual reports and interim reports • Circulars and announcements • Company website	• Anti-corruption • Compliance and business ethics • Emissions management • Resources management	• Environmental • Social
Employees	• Training sessions • Performance appraisals • Social media	• Training and development • Employee compensation and benefits • Occupational health and safety	• Social
Suppliers	• Qualification reviews • Site visits	• Responsible supply chain management	• Social
Customers	• Customer service hotline • Customer feedback mechanism	• Product or service quality control • Customer service	• Social
Government authorities	• Email and circulars • Tax payment in full and on time • Face to face meetings	• Anti-corruption • Compliance and business ethics	• Social
Media and the public	• ESG Report • Company website	• Emissions management • Resources management • Community involvement	• Environmental • Social

The Group aims to collaborate with its stakeholders to improve its ESG performance and continuously create greater value for the wider community.

MATERIALITY ASSESSMENT

In compliance with the ESG Reporting Code and industry norms, our Group has pinpointed 16 pivotal ESG concerns. Through the execution of a materiality assessment survey, we have thoroughly evaluated the impact of each issue on stakeholders' evaluations and choices, as well as the magnitude of its economic, environmental, and social ramifications. The outcomes of this survey guide the emphasis on our ESG Report's disclosures and the crafting of our Group's ESG strategies. We are committed to ongoing materiality assessments to dissect business risks, elevate the pertinence of our ESG Report, and align with the expectations of our stakeholders. Below is the materiality matrix outlining our Group's key ESG concerns:

MATERIALITY MATRIX OF THE GROUP



During the Reporting Period, the Group has confirmed that it has established appropriate and effective risk management policies and internal control systems for ESG issues and confirmed that the disclosed contents are following the requirements of the ESG Reporting Code.

RESPONDING TO CLIMATE CHANGE

Climate Governance

Board Oversight

The Board bears overall oversight responsibilities for climate-related risks and opportunities, with its authority, roles and accountabilities in relation to ESG and climate governance clearly defined under the Group's corporate governance framework.

The Board considers a broad spectrum of climate-related risks and opportunities in setting the Group's strategic direction, and ensures these factors are fully integrated into its oversight of strategy, major transactions, and policies. ESG considerations and stakeholder expectations are fully embedded in decision making by regularly assessing whether proposed transactions, and controls and mitigation measures align with the Group's climate commitments. The Board balances short-term financial implications with long-term resilience to support informed, forward-looking decisions that enable sustainable performance.

The ESG Taskforce reports to the Board at least annually on climate-related risks and opportunities. In addition to the annual formal report, the Board receives ad-hoc updates on material climate-related events, regulatory changes and emergency risks as they arise, and holds dedicated climate strategy sessions at least annually. The Board further oversees the development of climate-related targets, ensuring they are grounded in credible data, aligned with strategic priorities, and supported by clear execution plans. It reviews progress against these targets on a regular basis and raises queries about where gaps or delays arise. Although climate-related performance indicators have not yet been incorporated into remuneration policies, the Group's commitment to achieving its climate objectives remains fully intact.

The day-to-day management of climate-related risks and opportunities is delegated to the ESG Taskforce, which is chaired by the company secretary of the Company and comprises representatives from different departments. The ESG Taskforce reports directly to the Board, which reviews its climate goal annually. Internal controls and review mechanisms are integrated into the operations of business units. These include periodic climate-related risks assessments, as well as cross-functional reviews of regulatory and market developments.

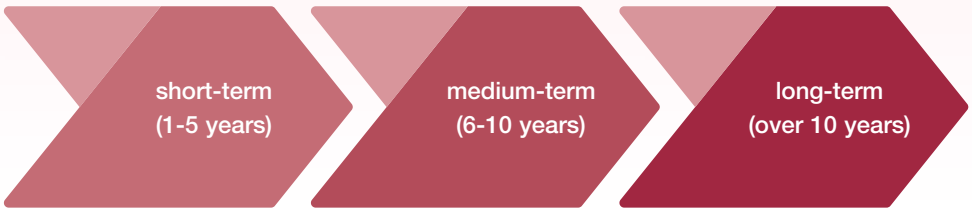
To support the implementation of the Group's climate-related strategies, the skills and competencies of the Board and members in the ESG Taskforce are regularly assessed against market standards to ensure that they remain sufficient and up-to-date over time. All Directors and members of the ESG Taskforce are briefed on sustainability matters through updated materials as appropriate. The Board is kept informed of emerging ESG developments, including energy policies, regulatory updates, and evolving market best practices. Relevant ESG materials and insights are made available to support Directors and senior management

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy

The Group monitors relevant climate-related policy and market developments and identifies potential risks and opportunities with reference to its business activities, value chain and operational experience. The Group has not conducted formal climate-related scenario analysis during the Reporting Period.

We integrate climate-related considerations into corporate strategy and business planning and clearly define the scope of impacts across three time horizons: short-term (1-5 years), medium-term (6-10 years) and long-term (over 10 years). This ensures that climate risk management is aligned with the Group's sustainable development strategy.



We screen and identify climate-related risks and opportunities by comprehensively considering the Group's business model and value chain, industry practices, and outcomes of stakeholder engagement. We clarify the concentration of such risks and opportunities across the Group's own operations and value chain, establish a risk and opportunity inventory, and conduct ongoing monitoring and management efforts.

Managing Climate-related Risks and Opportunities

Climate change presents both risks and opportunities. We take a balanced approach that considers potential positive and negative impacts, enabling us to maximise value while minimising adverse effects on our business.

Physical Risks, Transition Risks and Opportunities

We categorise climate-related impacts into physical risks, transition risks and opportunities that are reasonably expected to affect our cash flows, access to finance, or cost of capital.

Physical risks: These include acute events – such as extreme heat, rainfall, storms and other natural disasters – that may disrupt our supply chain and infrastructure, as well as chronic changes like rising sea levels and shifting climate patterns that could affect long term business viability.

Transition risks: They stem from the global shift toward a low carbon economy, including more stringent laws and regulations on environmental protection, carbon emission and waste generation. Technological developments and changing market preferences for green companies may require adjustments to our business model and operations. These changes may lead to increased risks of regulatory non-compliance resulting in legal, technological, market and reputational risks.

Opportunities: The transition to a low-carbon business model may bring us opportunities. Growing ESG awareness among consumers gradually shapes the market as preferences shift toward more responsible businesses. Efforts to improve energy efficiency and reduce waste not only lower operating costs in the short-term but also help streamline and optimise operations over the medium term. Emerging low-carbon markets are expected to mature within the next three to ten years, creating new opportunities for growth and innovation. By actively disclosing ESG performance and taking concrete action, we can enhance our reputation, attracting new capital and customers.

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy (Continued)

Effects on Business Model and Value Chain

The ESG Reporting Code's implementation reliefs have been applied in this section:

	Reasonable Information Relief	Commercial Sensitivity Relief	Financial Effects Relief
Current financial effects			Yes
Anticipated financial effects	Yes	Yes	Yes
Metrics in cross-industry categories	Yes		

The Group has identified the following risks and opportunities on its business model and value chain:

Risk Type	Description	Effects on Business Model	Effects on Value Chain	Qualitative Financial Impact
Physical Risks				
Acute Risk Time Horizon: Short to long term	Increased severity of extreme weather • Extreme heat • Rainfall/flooding • Tropical cyclones	• Extreme weather and flooding can cause direct physical damage to managed properties, unsold property units, and parking spaces (e.g., underground garage flooding). • Impairs the safety of frontline property management staff (e.g., security, maintenance) during emergency responses. • Prolonged high temperatures increase operational electricity usage for common area air-conditioning and ventilation across managed properties.	• Interrupts upstream supply chains for property maintenance materials, facility spare parts, and third-party security/ cleaning vendors. • Increases immediate repair, drainage, and restoration costs for damaged residential/ commercial assets and parking facilities. • Shortens the maintenance and replacement cycles for key property equipment (e.g., elevators, water pumps, ventilation systems). • Elevates long-term property upkeep and facility management expenditure.	Financial Impact: Asset Value & Operating Expenses The impact is low to medium Extreme weather may lead to short-term property repair costs, potential emergency maintenance expenses, and temporary delays in property/parking space sales transactions.
Chronic Risk Time Horizon: Mid-to-long term	Variability in climate and precipitation patterns • Shifts in precipitation and seasonal patterns			Financial Impact: Operating Cost The impact is low to medium Mainly driven by elevated utility and electricity costs for common areas, as well as increased long-term maintenance and structural upkeep budgets for managed properties.

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy (Continued)

Effects on Business Model and Value Chain (Continued)

Risk Type	Description	Effects on Business Model	Effects on Value Chain	Qualitative Financial Impact
Transition Risks				
Regulatory Risks Time Horizon: Mid-to-long term	• Enhanced mandatory ESG and carbon disclosure requirements • Mandatory reporting obligations • Enhanced waste management and municipal waste charging regulations • Exposure to environmental compliance and statutory labour/safety regulations	• Requires upgrading existing property infrastructure (e.g., lighting, HVAC systems) to meet statutory green building standards. • Increases administrative and operational costs to comply with mandatory reporting and waste separation regulations in managed communities. • Potential early retirement of inefficient HVAC units or older building equipment to comply with environmental laws.	• Raises compliance standards for procurement of property maintenance supplies, electrical equipment, and smart facility management systems. • Requires reassessment of partnership risks with property contractors and service vendors that fail to meet updated environmental standards.	Financial Impact: Operating cost The impact is low to medium Mainly driven by elevated compliance expenses, energy-efficiency retrofitting costs for managed properties, and potential fines for regulatory non-compliance.
Market Risks Time Horizon: Mid-to-long term	• Changing consumer behaviour • Unpredictable market demand • Fluctuations in traditional energy and electricity tariffs • Rising cost of sustainable building materials and property supplies	• Shifts property sales dynamics; properties lacking green features or EV charging facilities in parking spaces may experience slower sales or lower valuations. • Increases operational expenditure due to fluctuating electricity tariffs for common area property management.	• Encourages procurement shifts towards energy-efficient lighting, eco-friendly maintenance supplies, and smart property management software. • Disrupts partnerships with traditional suppliers if they cannot provide green or energy-certified building materials and property hardware.	Financial Impact: Revenue & Operating Expenses The impact is low to medium Driven by potential cost increases in property common area utilities and the capital outlay required to upgrade facilities to maintain property sales appeal.
Reputational Risks Time Horizon: Mid-to-long term	• Criticism of industry sector • Negative stakeholder feedback	• Inadequate ESG performance or poor environmental hygiene/ waste handling in managed properties can damage the Group's brand reputation. • Lowers ability to attract capital.	• May lead to tenant dissatisfaction or contract termination across the value chain if operational sustainability fails to meet client expectations.	Financial Impact: Revenue & Capital Access The impact is low to medium Mainly affects long-term property sales realization, property management service contract renewals, and access to capital markets.

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy (Continued)

Effects on Business Model and Value Chain (Continued)

Opportunity Type	Description	Effects on Business Model	Effects on Value Chain	Qualitative Financial Impact
Efficiency Gains Time Horizon: Short to long term	• More efficient and diverse service offerings • Savings from optimising resources • Energy and water efficiency • Use of new technologies	• Improve efficiency from flexible work arrangements during extreme weather • Improve profit margins • Benefits of employee health, satisfaction, and productivity • Enhances property operational efficiency and reduces ongoing facility maintenance costs.	• Increases resource utilisation efficiency across managed residential and commercial properties. • Encourages upstream procurement of energy-efficient electrical equipment, water-efficient fixtures, and smart sensors.	Financial Impact: Operating cost The impact is medium Adopting energy and water efficiency measures yields direct, long-term savings in utility bills and property maintenance expenses.
Market Opportunities Time Horizon: Short to long term	• Capitalising on national and local policy support for green buildings and property decarbonization • Growing market demand for eco-friendly residential properties and parking spaces equipped with EV charging infrastructure	• Drives premium property valuation and attracts eco-conscious homebuyers and real estate investors. • Diversifies service offerings by introducing green property management and sustainability-focused facility solutions.	• Fosters long-term partnerships with green technology vendors, EV charger installers, and sustainable building material suppliers. • Expands value-chain capacity through certified green property management practices.	Financial Impact: Revenue The impact is medium to high Meeting market demand for green properties and EV-ready parking spaces boosts sales realizations, property management contract wins, and premium pricing potential.
Consumer Preference Time Horizon: Short to long term	• Changes in consumer behaviour and expectations	• Strengthens client acquisition and tenant retention by offering healthy, energy-efficient, and green-certified property environments. • Increases market share of green companies.	• Incentivises suppliers and subcontractors across the value chain to adhere to eco-friendly property management and maintenance standards.	Financial Impact: Operating cost The impact is medium Satisfying green preferences boosts property sales performance and contract renewals while optimising site-level operational efficiency.

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy (Continued)

Strategy and Decision-Making

Based on the findings of the above analysis, we have formulated the following adaptation and mitigation measures to tackle physical risk, transition risks, and opportunities:

Type	Adaptation and Mitigation Measures
Acute Physical Risks	• Conduct regular drills to test emergency response, crisis management and business continuity plans. • Formulate enhanced and localised measures for various climate scenarios to address extreme weather events. • Carry out ventilation and cooling retrofitting for internal facilities and office spaces to improve the working environment. • Incorporate considerations of flood and water-related risks into office site selection. • Install key equipment (such as servers and air conditioners) in locations that meet flood and wind resistance standards. • Implement targeted measures across the Group to reduce the risk of casualties.
Chronic Physical Risks	• Incorporate the impacts of surrounding water resources into the office site selection process. • Adopt water-saving equipment and retrofit existing facilities to improve water use efficiency. • Assess the availability of alternative water sources in the event of water shortages and install backup water supply facilities. • Establish a long-term monitoring mechanism to protect key species and natural habitats and mitigate the impact of ecosystem changes on the supply chain.
Transition Risks	• Track global and domestic trends and latest requirements for climate-related information disclosure. • Optimise carbon emission disclosure and management to respond to stakeholder feedback; monitor the development of the domestic carbon market. • Collaborate with academic institutions and suppliers to promote low-carbon technologies and integrated energy solutions. • Disclose energy consumption and carbon emission data with high quality in accordance with regulatory requirements, and formulate environmental risk control plans. • Assess the impact of climate risks on business operations, establish a climate risk management mechanism, and mitigate reputational risks. • Improve legal risk management policies and incorporate climate-related risk considerations.
Opportunities	• Develop lower-carbon service offerings; • Invest in energy-efficient and low-emission technologies to reduce costs; • Explore the possibility to invest in green bonds to support climate-positive investments.

RESPONDING TO CLIMATE CHANGE (Continued)

Strategy (Continued)

Strategy and Decision-Making (Continued)

The Group does not currently have a formal climate-related transition plan or a dedicated budget specifically for climate-related risks and opportunities. Nevertheless, we manage environmental initiatives through our existing operational framework. Resources for energy-saving upgrades and sustainability training are allocated from general operating and capital expenditure budgets on a case-by-case basis. We will continue to monitor the necessity of a formal transition plan and adjust our resource allocation as regulatory requirements and our operational needs evolve.

To actively mitigate climate-related impacts and advance our long-term environmental strategy, the Group remains committed to optimising operational energy efficiency. In response to growing energy demand driven by our business operations during the Reporting Period, we are actively implementing targeted energy-saving measures, upgrading facilities, and strengthening operational controls to curb emissions growth and support our long-term decarbonization journey.

Current and Anticipated Financial Effect

The Group has not disclosed the quantified current and anticipated financial effects of climate-related risks and opportunities, and internal carbon prices are currently not applied in its internal analysis or decision-making. While the preceding tables describe potential financial impacts qualitatively, the timing and magnitude of those impacts remain uncertain. The level of measurement uncertainty is high, and isolating the financial effects of individual climate-related risks and opportunities is difficult. The Group is also developing internal capabilities for preparing disclosures on current and anticipated financial effects. Accordingly, the Group has applied the financial effects relief and the capabilities relief (where applicable) as provided under the ESG Reporting Code for disclosure requirements about the current and anticipated financial effects of climate-related risks and opportunities. The Group has also assessed and determined that the combined financial effects of climate-related risks and opportunities would not be useful at this stage.

Climate Resilience and Scenario Analysis

The Group has not conducted a formal climate-related scenario analysis and, accordingly, has not provided a detailed assessment of its climate resilience at this stage. As a small-to-medium enterprise with focused operations, the Group currently lacks specialised internal skills, technical capabilities, and localised data required to perform meaningful quantitative scenario modeling without incurring undue cost or effort. Instead, we manage climate resilience through our existing risk management framework and disaster recovery protocols, particularly regarding physical risks such as extreme weather. The Group will periodically review its capacity and the availability of simplified industry tools to determine when a proportionate scenario analysis can be effectively integrated into our reporting.

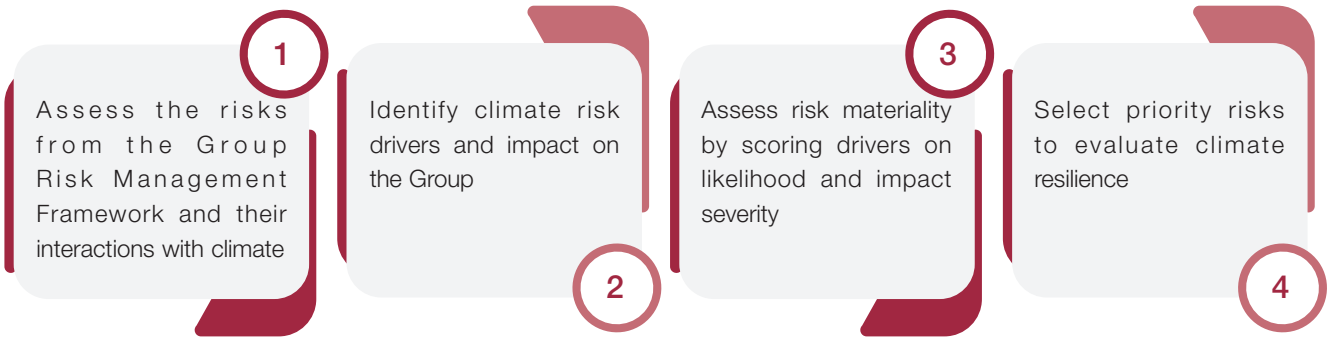
RESPONDING TO CLIMATE CHANGE (Continued)

Climate Risk Management

The Group has in place a comprehensive risk management framework. Climate-related risk and opportunity identification, assessment, prioritisation, and management are fully integrated into the Group's overall risk management processes. The relevant policy and processes are reviewed annually and updated when necessary.

Climate-related risks and opportunities are examined across the Group's operations and value chain using both internal and external data through a coordinated, multi-level process. Strategic direction is set at the top, with the Board providing oversight and regularly reviewing the most significant climate-related issues. At the same time, operational teams contribute detailed, ground-level insights by assessing their own exposures on an annual basis. When a potential risk is identified, the relevant department will design and carry out mitigation actions, followed by ongoing reviews to ensure that the controls remain robust and effective over time.

The Group does not currently incorporate climate-related scenario analysis into its risk identification process. At present, climate-related risks are identified and assessed through qualitative risk management methodologies, leveraging internal operational experience and historical weather data. The Group will continue to monitor the availability of simplified tools and industry data to evaluate the feasibility of integrating scenario analysis into its risk identification framework in the future.



We recognise the importance of climate-related risks and opportunities in shaping our strategic direction and internal policies. Climate factors are evaluated based on their relevance to our operations using the Group's risk management approach, ensuring that key climate considerations are appropriately prioritised and reflected in decision-making.

Identified climate-related risks are monitored quarterly by the ESG Taskforce, which tracks the effectiveness of mitigation measures and updates risk assessments as new information becomes available. Material changes in risk profiles are reported to the Board immediately. There were no material changes to the Group's climate-related risk identification, assessment, prioritisation and monitoring processes during the reporting period compared to the previous year. Climate-related opportunities are identified through annual strategic planning reviews and stakeholder engagement processes.

RESPONDING TO CLIMATE CHANGE (Continued)

Climate-related Targets

We are setting long-term climate-related targets across our operations and value chain supported by short-, medium-, and long-term milestones, all measured against a 2026 base year to ensure consistent comparison over time. These targets have taken reference from Hong Kong's long-term decarbonisation pathway and its goal of achieving carbon neutrality, as well as the Paris Agreement, ensuring that our efforts contribute meaningfully to the city's broader climate ambitions.

All quantitative targets are intensity targets, which are appropriate for the Group's service-based business model. The Group develops and regularly reviews its target internally based on its strategic planning and did not apply the Science Based Targets Initiative's Sectoral Decarbonisation Approach. The use of carbon credits to achieve any net targets is currently not considered. Below sets forth the phased targets over our time horizon:

The Group's climate-related targets are based on the following indicators:

Targets	**Descriptions**
Energy Consumption Intensity	Short term: 3 % reduction when compared to 2026 Medium-term: 6 % reduction when compared to 2026 Long-term: 16% reduction when compared to 2026
Water Consumption Intensity	Short term: 3 % reduction when compared to 2026 Medium-term: 6 % reduction when compared to 2026 Long-term: 16 % reduction when compared to 2026
Non-hazardous Waste Intensity	Short term: 3 % reduction when compared to 2026 Medium-term: 6 % reduction when compared to 2026 Long-term: 16 % reduction when compared to 2026
Greenhouse Gas Emission ("**GHG**") Intensity (Scope 1 & 2)	Short term: 3 % reduction when compared to 2026 Medium-term: 6 % reduction when compared to 2026 Long-term: 16 % reduction when compared to 2026

* The GHG emission target is a gross target.

The Group's GHG emission targets currently cover Scope 1 and Scope 2 emissions. Scope 3 targets will be developed as the Group improves its Scope 3 data collection capabilities.

The Group's climate-related targets and the methodologies used for their setting have not been verified by an independent third party. At present, these targets are reviewed and monitored through the Group's internal management and reporting processes to ensure data consistency and accuracy. The Group will periodically evaluate the necessity of seeking external assurance for its sustainability disclosures as its reporting framework matures. The targets are reviewed annually by the ESG Taskforce and approved by the Board. Any material revisions to the targets require Board approval. Target progress is monitored annually using the indicators specified above. There have been no revisions to the Group's climate-related targets during the Reporting Period.

RESPONDING TO CLIMATE CHANGE (Continued)

Climate-related Targets (Continued)

During the Reporting Period, the Group's Scope 1 and Scope 2 GHG emissions intensity, energy consumption intensity and water consumption intensity increased compared with 2025. Non-hazardous waste intensity was 0.02 kg per RMB'000 of revenue in both years. The Group will continue to monitor these indicators and implement measures to improve resource efficiency and reduce emissions and waste generation.

The use of carbon credits to achieve any net targets is currently not considered. The Group has not conducted climate-related scenario analysis and does not currently apply an internal carbon price. Please refer to "Climate Resilience and Scenario Analysis" for the reasons and the Group's current approach to managing climate resilience. The Group has not separately allocated or quantified capital expenditure, financing or investment specifically for climate-related risks and opportunities. Relevant initiatives are considered within general operating and capital expenditure budgets on a case-by-case basis. By applying reasonable information relief of the ESG Reporting Code, the Group does not disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks, transition risks and aligned with climate-related opportunities.

GHG Emissions

The Group's Scope 1 GHG emissions arose from petrol, diesel and natural gas consumption, Scope 2 emissions arose from purchased electricity, and other indirect GHG emissions (Scope 3), which include freshwater consumption, sewage treatment, and operational waste management (such as paper waste, general waste). To reduce these emissions, the Group has embedded green practices across its day-to-day operations and actively adopted the following environmental protection initiatives:

- Purchase energy-efficient vehicles and replace high energy-consuming vehicles;
- Plan routes ahead to reduce route repetition and optimise fuel consumption;
- Switch off the engine when the vehicle is idle;
- Regularly undergo maintenance to ensure optimal engine performance and fuel use; and
- Actively adopt energy conservation measures which are described in the section headed "Energy Consumption".

Total GHG emissions increased during the Reporting Period, which was primarily attributable to higher electricity consumption, as well as the expansion of the reporting boundary to include Scope 3 emissions (other indirect emissions) for the first time. The Group's GHG emissions performance[4] was as below:

Types of GHG Emissions[1]	**Unit**	**2026**	**2025**
Direct GHG emissions (Scope 1)	tCO_2e	6.64	6.10
– Petrol	tCO_2e	4.57	4.30
– Diesel	tCO_2e	0.57	0.52
– Natural gas	tCO_2e	1.50	1.27
Indirect GHG emissions (Scope 2)	tCO_2e	8,408.01	6,801.41
– Purchased electricity - location based[2]	tCO_2e	8,408.01	6,801.41
Total GHG emissions (Scope 1&2)	**tCO_2e**	**8,414.65**	**6,807.50**
GHG emission (Scope 1&2) intensity[3]	**tCO_2e/RMB'000 revenue**	0.12	0.10
Scope 3 – Other Indirect GHG Emissions	tCO_2e	615.80	–
Total GHG Emissions	**tCO_2e**	**9,030.45**	**6,807.50**
GHG Emissions Intensity[3]	**tCO_2e/RMB'000 revenue**	**0.13**	**0.10**

RESPONDING TO CLIMATE CHANGE (Continued)

Climate-related Targets (Continued)

GHG Emissions (Continued)

Scope 3 GHG Emissions Details:

Scope 3 Other Indirect GHG Emissions	Units	2026
Category 1: Purchased Goods and Services[5]-Fresh water	tCO_2e	328.80
Category 5: Waste Generated in Operations[6]	tCO_2e	
– Paper waste treatment		3.44
– General waste treatment		1.00
– Sewage treatment		282.56

Notes:

1. The Group's GHG emissions include CO_2, CH_4 and N_2O and are converted to reflect the tonnes of CO_2 equivalent. GHG emissions data is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" and "Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, Scope 3 emissions data is calculated with reference, but not limited to, the International Civil Aviation Organisation ("**ICAO**") and the Department for Energy Security & Net Zero ("**DESNZ**") of the United Kingdom.

2. Scope 2 emissions are calculated using a location-based approach, which considers the average emission intensity of the local electricity grid where the energy is consumed. The calculation draws on the "CLP 2025 Sustainability Report" published by CLP Holdings Ltd, and the latest average carbon dioxide emission factor for national electricity in China released by the Ministry of Ecology and Environment in December 2025.

3. During the Reporting Period, the Group's total revenue was RMB69,455,000 (2025: RMB70,884,000). This data is also used to calculate other intensity data.

4. There were no changes to the Group's GHG emission measurement methodologies, input data or assumptions during the reporting period compared to the previous year.

5. GHG Scope 3 Category 1 emissions: The Group utilises a supplier specific method, using emission factor from Water Service Department (WSD).

6. GHG Scope 3 Category 5 emissions: The Group uses waste-specific data multiplied by applicable emission factors such as data from Environmental Protection Department ("**EPD**").

ENVIRONMENTAL

A1. Emissions

At the heart of our Group's ethos is an unwavering dedication to fostering a green and enduring Earth. We acknowledge the critical role of environmental guardianship and are steadfast in our pursuit of reducing our ecological impact, all the while actively enhancing the prosperity of our collective habitat. In this regard, our Group has established an encompassing environmental policy that underpins our diverse sustainability endeavors. This holistic strategy focuses on conservation, resource optimisation, and the integration of responsible practices throughout our operations.

During this Reporting Period, the Group was not aware of any material non-compliance with environmental-related laws and regulations in relation to air and greenhouse gases ("**GHG**"), emissions, discharges into water and land discharges, and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group, including but not limited to the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Atmosphere Pollution, the Water Pollution Prevention and Control Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes, the Air Pollution Control Ordinance of Hong Kong, the Water Pollution Control Ordinance of Hong Kong, and the Waste Disposal Ordinance of Hong Kong.

Air Emissions

To align the global development of the low-carbon economy, the Group pays attention to its air emissions arise from the daily operations. The main source of air emissions is the combustion of petrol for company vehicles. The summary of the Group's air emissions performance:

Types of Air Emissions	Unit	2026	2025
Nitrogen oxides (NOx)	kg	1.10	1.20
Sulphur oxides (SOx)	kg	0.02	0.02
Particulate matter (PM)	kg	0.08	0.09

During the Reporting Period, emissions of NOx, SOx, and PM from company vehicles remained broadly stable compared to FY2025 levels due to stable vehicle utilisation.

Sewage Discharge

In the routine of our daily operations, our Group produces domestic wastewater, which is initially processed by our in-house underground wastewater treatment systems prior to being released into the municipal sewerage network. Given that the effluent discharged by our Group ultimately makes its way to the regional water treatment facility via the public sewerage system, the quantity of our wastewater discharge can be equated to our overall water consumption. Further details on our Group's water consumption will be elaborated in the "Water Consumption" segment of this Report.

Waste Management

Hazardous Waste

Given the nature of our business operations, the Group did not generate a significant amount of hazardous waste during the Reporting Period. Consequently, we have not set specific targets related to hazardous waste management at this time. Nevertheless, the Group has established comprehensive guidelines to govern the handling and disposal of any hazardous waste that may arise. In accordance with these guidelines, we meticulously track the generation of such waste and engage qualified service providers to collect, sort, and properly dispose of it. The Group will continue to strictly abide by the relevant policy in the treatment of the hazardous waste.

ENVIRONMENTAL (Continued)

A1. Emissions (Continued)

Waste Management (Continued)

Non-hazardous Waste

The Group is cognisant of the significance of instituting robust waste management procedures. Our non-hazardous waste is predominantly composed of paper, ink cartridges, and routine office refuse. In managing this waste with responsibility, we meticulously monitor our paper usage and collaborate with certified service providers for waste collection and segregation. We consistently oversee the consumption and disposal of office paper to detect any irregularities or avenues for enhancement. To advocate for environmental conservation, the majority of our office waste is recycled for repurposing. The Group imparts the importance of waste reduction to its employees and equips them with the requisite support to augment their competencies and insights in waste management. By cultivating a culture of environmental responsibility, we are committed to the ongoing refinement of our waste management practices and the mitigation of our environmental footprint.

Various reduction measures have been established, and posters can be seen in the vicinity of the offices to increase employees' awareness and achieve the environmental target by reducing wastage, said measures include but are not limited to:

- Encourage double-sided printing or photocopying and electronic communication;
- Use recycled paper for drafting documents or photocopying;
- Encourage the reuse of envelopes, cartons and folders; and
- Use stainless steel cutlery and boxes instead of single-use disposable items.

During the Reporting Period, the total amount of non-hazardous waste generated has slightly increased. The Group will continue its effort in mitigating the non-hazardous waste disposal in the following year by enhancing its information technology systems in furtherance to a paperless environment. The summary of the Group's non-hazardous waste performance is below:

Categories of Waste	**Unit**	**2026**	**2025**
Paper[7]	kg	716.02	672.65
General waste	kg	665.00	605.00
Total non-hazardous waste	**kg**	**1,381.02**	**1,277.65**
Intensity[3]	**kg/RMB'000 revenue**	**0.02**	**0.02**

Notes:

7. The amount of paper waste includes the amount of paper recycled.

ENVIRONMENTAL (Continued)

A2. Use of Resources

The Group is committed to minimising the environmental impact of our operations by identifying and implementing measures to enhance energy and resource efficiency. We actively promote green office practices and operate under 4R principles, and the Group has established comprehensive policies and procedures related to environmental management. These guidelines enable us to closely monitor and manage our monthly usage of energy and water resources.



Energy Consumption

The Group's direct energy consumption is mainly due to the burning of gasoline in our vehicles and machinery, as well as the use of diesel for power generation. Our indirect energy consumption is driven by the electricity used throughout our operations. In order to meet our energy-saving goals, the Group has established internal policies to manage our overall energy consumption. These policies are regularly reviewed to assess their effectiveness and to determine if any modifications are needed to ensure they continue to be adequately robust. The key energy reduction measures we have implemented include, but are not limited to:

- Select energy-efficient equipment and electrical appliances, and gradually replace obsolete equipment with energy-saving certified alternatives;
- Try to minimise the use of high-power appliances to avoid overloading the electrical system;
- Turn off all the unnecessary lights, air conditioners, computers and other office equipment in office areas, conference rooms and corridors when they are not in use to avoid energy waste;
- Use energy-saving bulbs or LED lamps instead of traditional lamps;
- Strictly prohibit the running of idle equipment and unreasonable electric wiring distribution;
- Avoid the waste of electricity by strictly regulating the use of air conditioners; and
- Enhance the maintenance and overhaul of all electronic equipment to maintain their best condition for effective use of electricity.

ENVIRONMENTAL (Continued)

A2. Use of Resources (Continued)

Energy Consumption (Continued)

During the Reporting Period, total energy consumption rose primarily due to higher electricity usage, while the increase in petrol consumption was driven by expanded landscaping and greening maintenance activities across our managed properties. The summary of the Group's energy consumption performance is below:

Types of Energy Consumption	Unit	2026	2025
Direct energy consumption	MWh	**26.48**	**24.16**
– Petrol	MWh	16.73	15.75
– Diesel	MWh	2.34	2.14
– Natural gas	MWh	7.41	6.28
Indirect energy consumption	MWh	**15,846.23**	**12,675.00**
– Purchased electricity	MWh	15,846.23	12,675.00
Total energy consumption	**MWh**	**15,872.71**	**12,699.16**
Energy consumption intensity[3]	**MWh/RMB'000 revenue**	**0.23**	**0.18**

Water Consumption

The Group is dedicated to lowering water usage by enlightening our staff about the significance of water conservation. We aim to instill a culture of water saving within our team to fulfill our conservation goals. Department heads are entrusted with the duty of supervising and controlling water usage as necessary. To bolster these efforts, the Group has implemented a variety of conservation measures, such as placing environmental prompts near pantries and restrooms to encourage employees to adopt water-saving practices.

During the Reporting Period, the Group's total water consumption increased. The Group remains committed to implementing measures with the aim of achieving a reduction in water consumption in the coming year. A summary of the Group's water consumption performance is presented below.

Indicator	Unit	2026	2025
Total water consumption	**m^3**	**1,284,372.00**	**1,070,310.00**
Intensity[3]	**m^3/RMB'000 revenue**	**18.49**	**15.10**

During the Reporting Period, the Group did not encounter any issue in sourcing water that was fit for purpose due to its geographic location that its operation located.

Use of Packaging Materials

Due to the Group's business nature, the Group neither produces final products nor does it have any industrial facilities. Thus, it did not use any significant amount of packaging materials during its daily operation. Relevant disclosures are not applicable to the Group.

ENVIRONMENTAL (Continued)

A3. The Environment and Natural Resources

Natural resources are essential for the survival of all humans. However, over the years, rapid economic developments, population growth and urbanisation have led to the depletion of these resources. Many countries and corporations have echoed the global ambition of achieving net zero in 2050.

Impact on Natural Resources

Alongside our net zero operations ambition, our aim is to become a responsible consumer of natural resources. Through well-designed operational standards, we strive to ensure that, wherever possible, our operations do not adversely affect the environment or natural resources. We have identified specific focus areas including reduction of waste, paper and energy use, and are exploring key opportunities to reduce our wider environmental impact over the coming decade.

SOCIAL

B1. Employment

Human capital is the Group's most valuable asset and core competitive advantage. It serves as the basis for the sustainable development of the Group. Therefore, the Group is committed to refining its employment policies to attract, develop and retain talents. The Group adheres to the people-oriented principle, respects and protects all employees' legitimate rights and interests and regulates labour employment management to safeguard employees' occupational health and safety.

During the Reporting Period, the Group was not aware of any material non-compliance with any relevant laws and regulations in relation to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, that would have a significant impact on the Group.

Equal Opportunities, Diversity and Anti-discrimination

The Group's sustainable growth depends on a diverse range of talents. It is dedicated to fostering equal opportunities and promoting diversity in recruitment by cultivating an inclusive and collaborative workplace culture that shields employees from discrimination based on race, gender, color, age, family status, customs, religion, physical ability, and nationality. The Group strictly prohibits any form of sexual harassment in the workplace. All employees are entitled to equal pay for equal work. The Group seeks to attract professionals from various backgrounds to become part of the organisation.

SOCIAL (Continued)

B1. Employment (Continued)

Equal Opportunities, Diversity and Anti-discrimination (Continued)

As of 30 June 2026, the Group has 518 employees (2025: 477) employees within the reporting scope. To better representation of the Group's employee profile, the total workforce by gender, employment type, age group and geographical region are shown below:

Indicators	2026	2025
By Gender		
Male	326	309
Female	192	168
By Employment Type		
Full-time	517	477
Part-time	1	0
By Age Group		
Below 30	20	23
Between 30 to 50	207	201
Over 50	291	253
By Geographical Region		
Chinese Mainland	508	469
Hong Kong	10	8

Recruitment, Promotion and Dismissal

The Group are dedicated to attracting and retaining exceptional talent, utilising a variety of recruitment channels and upholding principles of transparency and fairness to ensure equal opportunities for all candidates based on their skills, qualifications, work demands, expertise, and language abilities. Our recruitment process is designed to provide a level playing field for top talent. Employee promotions are reviewed annually with clear performance indicators for evaluations, and regular assessments of work performance and capabilities are conducted to encourage personal growth and team competitiveness. Effective two-way communication between supervisors and employees supports this process, with a strong emphasis on internal promotions to help unlock the full potential of our staff.

We only allow reasonable and substantiated terminations of employment. Dismissals, when required, are based on reasonable and lawful grounds supported by policies and are conducted in accordance with applicable laws and regulations. Prior verbal or written warnings will be issued to provide a fair opportunity to employees for improvement.

SOCIAL (Continued)

B1. Employment (Continued)

Recruitment, Promotion and Dismissal (Continued)

The Group manages employee compensation and work-related injury matters in accordance with the applicable laws and regulations in the jurisdictions where its employees work. Unreasonable dismissal is strictly prohibited, and any dismissal is based on reasonable and lawful grounds, supported by our Group's internal policies. With a strong people-oriented culture and sound employment practices, we have seen increased productivity and morale. In 2026, our employee overall turnover rate[8] was 17% (2025: 18%), with details on age groups and geographical regions provided below.

	2026		2025	
Categories	Employee turnover rate in percentage (%)[9]	Employee turnover (in person)	Employee turnover rate in percentage (%)[9]	Employee turnover (in person)
By Gender				
Male	18	58	20	62
Female	15	28	15	25
By Age Group				
Below 30	10	2	22	5
Between 30 to 50	17	35	18	36
Over 50	17	49	18	46
By Geographical Region				
Chinese Mainland	17	86	19	87
Hong Kong	0	0	0	0

Notes:

8. Overall employee turnover rate = Total number of employees leaving employment during the Reporting Period/Total number of employees at the end of the Reporting Period *100%.

9. Employee turnover rate by category = Total number of employees leaving employment by category during the Reporting Period/Total number of employees by category at the end of the Reporting Period *100%.

Remuneration and Benefits

The Group has developed a remuneration system for employee salaries that emphasises fairness, reasonableness, and competitiveness, adhering to principles of equity, competitiveness, legality, and reasonableness. The compensation package consists of a basic salary, performance bonuses, overtime compensation, position allowances, related subsidies, and various additional incentives. Furthermore, the Group performs annual evaluations to determine the effectiveness of the remuneration system, ensuring the protection of employee benefits. Additionally, the Group legally contributes a specified percentage of payroll costs to the central pension scheme administered by the local municipal government for its employees in the PRC.

SOCIAL (Continued)

B2. Health and Safety

Providing a safe, effective and congenial work environment for employees is our foremost concern. To maintain a safe working environment, we have established safety policies and relevant procedures for the prevention of accidents. Employees are given clear information on health and safety management systems and controls through the Group's Employee Handbook.

During the Reporting Period, the Group was not aware of any material non-compliance with health and safety related laws and regulations that would have a significant impact on the Group, including but not limited to the Labour Law of the PRC, the Law of the PRC on Prevention and Control of Occupational Diseases, the Fire Protection Law of the PRC, the Occupational Safety and Health Ordinance of Hong Kong. There were no work-related fatalities that occurred in the past three years (including the Reporting Period) consecutively.

Health & Safety Indicators	Unit	2026	2025	2024
Work-related fatalities	Numbers	0	0	0
Fatality rate	%	0	0	0
Lost days due to work injury	Days	0	0	124

Internal Health and Safety Management System

The Group has implemented an internal audit and inspection system, complemented by pertinent policies, to safeguard the health and safety of both our customers and employees during operations. This ongoing review process is designed to continuously monitor the workplace environment and promptly address any shortcomings that do not meet our set standards. We conduct routine safety inspections and reviews of our office environments and actively encourage our staff to report any incidents or risks related to health and safety. Furthermore, as part of our commitment to preventive healthcare, the Group offers health screening and check-up packages to our employees. We pay special attention to employees with abnormal examination results, providing them with medical advice and support for their treatment.

In terms of fire safety, the Group has established measures within our workplace, such as keeping fire extinguishers and first aid kits in prominent locations for emergency use and clearly marking fire escape routes throughout the premises. To prevent fire hazards, smoking is strictly prohibited within the workplace, and fire exits, and main thoroughfares are kept free from obstructions. Regular fire drills are conducted to ensure that all employees are well-versed in the proper evacuation procedures.

SOCIAL (Continued)

B3. Development and Training

The Group offers different training opportunities in a variety of knowledge and skills based on the needs of employees and the business. The management of each department may engage their employees in training activities when needed, to keep them abreast of industry trends and developments, and to refresh existing skills. The management also makes sure that the training activities attain their intended objectives of continuous learning.

Training Management

The Group's training proposals are formulated and reviewed annually by the management to ensure their effectiveness. Training and continuous development are essential for employees to stay abreast of the latest trends and industry requirements. Therefore, the Group proactively provides employees with diverse opportunities to advance their careers. The Group encourages sales personnel and customer service staff to apply for internal and external training courses to refresh their knowledge, familiarise themselves with updated guidelines, and maintain their competitiveness within the industry. Internally, the Group offers new employees training allowances, remuneration, and promotion incentives, such as sponsorship for attending business marketing courses. The Group recognises the importance of nurturing its workforce through strategic training and development initiatives, which are regularly evaluated and refined to support the evolving needs of the business and its employees.

During the Reporting Period, there are a total of approximately 100%[10] of employees trained with a total of approximately 20 (2025:20) average training hours per employee[11]. The breakdown of employees trained and average training hours per employee by gender and employee category are shown below:

Categories	2026		2025	
	Breakdown of Employees Trained (%)[12]	Average Training Hours per Employee (hours)[13]	Breakdown of Employees Trained (%)[12]	Average Training Hours per Employee (hours)[13]
By Gender				
Male	63	20	65	20
Female	37	20	35	20
By Employee Category				
Senior management	1	20	1	20
Middle management	9	20	10	20
General staff	90	20	89	20

SOCIAL (Continued)

B3. Development and Training (Continued)

Training Management (Continued)

Notes:

10. Total percentage of employees trained = Total number of employees trained during the Reporting Period/Total number of employees at the end of the Reporting Period *100%.

11. Average training hours per employee = Total training hours during the Reporting Period/Total number of employees during the Reporting Period.

12. Breakdown of employees trained by category = Total number of employees trained by category during the Reporting Period/Total number of employees trained during the Reporting Period *100%.

13. Average training hours per employee by category = Total training hours by category during the Reporting Period/Total number of employees by category during the Reporting Period.

B4. Labour Standards

Prevention of Child and Forced Labour

The Group strictly prohibits the employment of child labour during the recruitment process, in full compliance with applicable laws and regulations. As part of the recruitment process, the Group collects personal identification documents to verify the applicant's legal authorisation to work. Should any violations be detected, the Group will take immediate corrective action, including terminating the employment contract of the corresponding employee and reporting the incident to the relevant governmental authorities, if necessary.

To prevent forced labour practices, the Group has clearly defined the working hours and rest periods in the Employee Handbook, in alignment with public holidays. Employees are also allowed to apply for flexible working schedules based on their job requirements. The Group implements paid leave policies and provides overtime allowances for those working beyond statutory hours. The Group does not force any employees to work overtime against their will, nor does it subject them to corporal punishment or any other form of coercion. Similarly, the Group avoids engaging with administrative vendors and contractors with a poor record of using child or forced labour. In the event of a confirmed violation, the Group will conduct an investigation and take disciplinary action against any staff members responsible for the incident.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations, that would have a significant impact on the Group, including but not limited to the Labour Law of the PRC, the Provisions on the Prohibition of Using Child Labour of the PRC, and the Employment Ordinance of Hong Kong.

Working Hour, Rest Period and Compensation

The Group has clearly stated the working hours and rest periods in the Employee Handbook in accordance with the public holidays. Employees are also allowed to apply for flexible working schedules based on their job requirements. The Group provides paid leave in accordance with applicable laws and regulations and pays overtime allowances, where applicable, to employees who work beyond statutory working hours.

SOCIAL (Continued)

B5. Supply Chain Management

As we embrace the net zero transition and become more sustainable, there is also a growing recognition that not only the pace of the transition but also integrity and accountability matter. We recognise that managing our businesses responsibly and transparently, while maintaining close ties with regulators, suppliers, subcontractors, and customers, are the basis of successful business.

Supplier Assessment

The management will review and scrutinise the entire supplier selection process to ensure the openness and fairness of the procurement procedures and to rectify any environmental and social risks along the supply chain occasioned. The Group strives not to rely solely on specific suppliers but maintains more than one supplier for each product or service it provides to ensure supply chain stability. In any procurement process, quotations must be obtained and compared with different suppliers. In addition, during business meetings, the Group also encourages its business partners and suppliers to consider the risks posed to their operations from climate change and to actively mitigate their environmental impacts. The Group will continue to monitor and inspect the performance of its supply chain on a regular basis and will terminate the contracts with those suppliers and business partners that cause severe social harm or environmental accidents.

Green Procurement

The Group considers the environmental impact, quality, society, corporate governance and commercial ethics in the selection of suppliers. To be qualified as the Group's suppliers and business partners, they should comply with the prescribed standards and requirements, especially in areas regarding environmental risks and providing environmentally preferable products and services. The Group regularly assesses its suppliers and business partners to identify any environmental and social risks along the supply chain and expects the suppliers and business partners to deliver positive environmental and social impacts, the scope of which mainly includes operational compliance, employees' security and health, social responsibility, commercial ethics, environmental protection and promotion of the environmentally preferable products and services.

During the Reporting Period, we cooperated with 15 suppliers (2025: 15 suppliers located in the PRC), and all of them are located in the PRC. All suppliers must comply with relevant labour laws and regulations to protect the legitimate rights and interests of their employees. Suppliers were also evaluated based on environmental assessment reports, pollution discharge permits, environmental system certifications, and work safety permits, among other factors.

SOCIAL (Continued)

B6. Product Responsibility

The Group strictly adheres to product quality and safety standards to ensure our products meet regulatory requirements. We regularly monitor and assess the environmental and health impacts of our products and provide accurate and transparent product information to our customers. We are committed to offering high-quality, safe and sustainable products to meet the needs of our customers.

During the Reporting Period, the Group was not aware of any incidents of material non-compliance with related laws and regulations concerning health and safety, advertising, labelling, and privacy matters relating to products and services provided and methods of redress that would have a significant impact on the Group, including but not limited to the Law of the PRC on Protection of Consumer Rights, the Advertising Law of the PRC, and the Trade Descriptions Ordinance of Hong Kong.

Customer Satisfaction

The Group places great emphasis on customer satisfaction. Through regular customer feedback surveys and communication, we gain insights into customer needs and opinions. We safeguarded our quality services through internal control mechanisms, in case there are complaints occasioned, the Group ensures that a thorough investigation will be conducted in a timely manner, and appropriate remedial actions are carried out when complaints are received. All complaint cases and details are documented to reduce the possibility of re-occurrence in the future. During the Reporting Period, the Group reported 0 case (2025: 0 case) in relation to the products and service-related material complaints.

Quality Assurance

The Group has established a comprehensive quality management system to ensure the provision of high-quality and safe products and services for our customers. We regularly inspect and evaluate our service delivery and property management operations through entrusted professional parties including approved personnel, registered structural engineers and registered contractors to carry out the assessment and conduct a safety check on the facilities of the leasing properties on a regular basis, and to ensure the projects are in accordance with applicable laws and regulations.

We value customer feedback and have established a robust customer complaint handling mechanism. Feedback is recorded in detail and appropriate follow-up actions are taken by the Administrative Department. Should the feedback bear significant weight to the improvement of the Group, the feedback will be considered as a case study to prevent recurrence. Due to the Group's business nature, recall procedures were not applicable to the Group and the Group did not have any products sold or shipped subject to recalls for safety and health reasons.

Intellectual Property Rights

Although intellectual property rights are not deemed a significant ESG concern for the Group due to the nature of its business, the Group has still formulated policies to regulate the management of information technology. The Human Resources Department is tasked with ensuring that proper licenses are secured for the software, hardware, and information utilised in the Group's business operations. Unauthorised duplication or downloading of information, software, and images from the internet is strictly prohibited and requires approval from the relevant departments. Additionally, the Human Resources Department vigilantly monitors the market for infringement activities and works to prevent such behaviour, including counterfeit trademarks. The Group remains committed to ongoing surveillance to safeguard its intellectual property rights from infringement.

SOCIAL (Continued)

B6. Product Responsibility (Continued)

Protection of Customer Privacy

The Group highly values the protection of customer privacy and strictly complies with relevant laws and regulations. We have developed and implemented comprehensive privacy protection policies that clearly define the management measures for the collection, use, storage and disclosure of customer information. We also adopt multiple technical means, such as encryption and access control, to ensure the security and confidentiality of customer information.

The Group also distributes manuals to customers and tenants with detailed instructions regarding the authenticity of sales information to ensure transparency. Access rights to computers and accounts are reviewed annually to limit access to information to current employees only, and the access right to information will be removed upon termination of employment or contract. The Group's employees are prohibited from using the customers' personal data for purposes unrelated to the business context, unless their prior consent has been obtained. In the event of violations, it will be treated as serious misconduct, which is subject to disciplinary action including termination and legal proceedings.

Advertising and Labelling

Due to the business nature of property management, the Group's exposure to material risks concerning commercial advertising and product labelling is relatively low. Nevertheless, the Group adheres to fair, transparent, and authentic communication across all customer touchpoints, ensuring all published service details are clear, accurate, and non-misleading.

B7. Anti-corruption

The Group is committed to upholding the highest ethical standards, including business integrity, honesty and transparency across all operations and businesses. We have zero tolerance for any form of fraud or bribery, and are committed to the prevention, deterrence, detection, and investigation of all forms of fraud and bribery. The Group provides employees with guidelines which stipulate the expected behaviour of employees and specify that employees must not engage in acts or activities with conflicts of interest. The Employee Handbook provides proper examples of ethical behaviours.

During the Reporting Period, the Group was not aware of any material non-compliance with related laws and regulations of bribery, extortion, fraud and money laundering that would have a significant impact on the Group. No concluded legal cases regarding corrupt practices have been brought against the Group or its employees during the Year, including but not limited to the Company Law of the PRC, the Bidding Law of the PRC, the Interim Provisions on Banning Commercial Bribery of the PRC, and the Prevention of Bribery Ordinance of Hong Kong. During the Reporting Period, the Group has no concluded legal case (2025: 0 case) regarding corrupt practices brought against the Group or its employees.

SOCIAL (Continued)

B7. Anti-corruption (Continued)

Anti-corruption Practices

The Group has an Anti-bribery Function which is responsible for developing the overall framework of anti-bribery and anticorruption policies and procedures, as well as guiding and monitoring the implementation of these policies and procedures across different aspects of the Group's operations. The subsidiaries of the Group will duly report any suspected bribery and corruption to the responsible officer, who will then carry out further investigation and determine an appropriate course of action when necessary. Furthermore, the Finance Department and Audit Department (with the Chief Executive Officer as the responsible officer) are responsible for regular monitoring and checking all non-operational capital flow activities of the Group's major businesses. The Group has also formulated an anti-fraudulent system to standardise the whistleblowing, investigation, handling, assessment and remedial action process.

The Group also sets out relevant policies to provide its directors and employees with anti-corruption training, with the aim of helping them adhere to the latest anti-corruption laws and regulations. During the Reporting Period, all our directors and relevant employees were given anti-corruption training with total 513 (2025:477) training hours.

Whistle-blowing System

To promote compliant operations and safeguard the legitimate rights and interests of employees and stakeholders, the Group has established a comprehensive whistle-blowing system. We have developed relevant whistle-blowing management policies and provided multiple reporting channels, such as telephone, email, and mailbox, for employees and external stakeholders. We ensure the confidentiality of all reported information and the privacy of complainants and strictly prohibit any form of retaliation. A professional investigation team will conduct timely and impartial investigations into each report and take appropriate corrective and disciplinary actions. The investigation results will be promptly communicated to the complainants to ensure their concerns are effectively addressed.

We attach great importance to the effectiveness of the whistle-blowing system, regularly evaluate and continuously improve the relevant policies and procedures, to create a fair and transparent working environment for our employees and stakeholders.

B8. Community Investment

We believe collaborative efforts can make a difference in addressing the pressing environmental and social challenges we face every day. As a responsible corporate citizen, we have deeply integrated corporate social responsibility into the Group's development strategy and daily operations. We actively participate in community charity initiatives, care for the needs of underprivileged groups, and create value for local communities through financial, material and human resource support. We encourage employees to participate in environmental protection initiatives and guide them to develop eco-friendly habits, contributing together to the fight against climate change. We have incorporated corporate social responsibility into various aspects, such as talent development and supply chain management, striving to build a responsible and sustainable corporate ecosystem that creates long-term value for shareholders, employees, customers and the community.

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Mandatory Disclosure Requirements	Section/Declaration
Governance Structure	The ESG Governance Structure
Reporting Principles	Reporting Framework
Reporting Boundary	Reporting Scope

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
A. Environmental		
A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to exhaust gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions – Air Emissions
KPI A1.2	Replaced by Responding to Climate Change.	Climate-related Targets – GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Climate-related Targets, Waste Management, Energy Consumption
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions – Waste Management

ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE (Continued)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (MWh) and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Climate-related Targets, Use of Resources – Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources – Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources – Use of Packaging Materials
A3. The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources – Impact on Natural Resources
A4. Climate Change		
General Disclosure	Replaced by Responding to Climate Change.	Responding to Climate Change

ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE (Continued)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B. Social		
B1. Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment – Equal Opportunities, Diversity and Anti-discrimination
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment – Recruitment, Promotion and Dismissal
B2. Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety – Internal Health and Safety Management System

ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE (Continued)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B3. Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training – Training Management
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training – Training Management
B4. Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards – Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards – Prevention of Child and Forced Labour, Working Hour, Rest Period and Compensation
B5. Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management – Green Procurement
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management – Supplier Assessment, Green Procurement

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management – Supplier Assessment, Green Procurement
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management – Supplier Assessment, Green Procurement
B6. Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility – Quality Assurance
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Customer Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Quality Assurance
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Protection of Customer Privacy

ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE (Continued)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B7. Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption – Whistle-blowing System
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption – Anti-corruption Practices
B8. Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment

ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE (Continued)

Climate-related Disclosures	Description	Section/Statement
Governance	Governance	Climate Governance
Strategy	Strategy	Strategy
Risk Management	Risk Management	Climate Risk Management
Metrics and Targets	GHG Emissions	Climate-related Targets
	Cross-industry Metrics – Climate-related Physical Risks, Transition Risks and Opportunities	Strategy
	Cross-industry Metrics – Capital Deployment	Strategy
	Internal Carbon Prices	Strategy – Current and Anticipated Financial Effect
	Remuneration	Climate Governance
	Industry-based Metrics	The Group has assessed industry-based metrics under the IFRS S2 Industry-based Guidance as not applicable and has therefore not adopted them
	Climate-related Targets	Climate-related Targets